Elbit Systems' US Subsidiary, EFW, Selected by Bell Helicopter to Supply Helmet Display and Tracking Systems for US Army's New Armed Reconnaissance Helicopter

The Program has potential value of $51 MILLION

Haifa, Israel, November 16, 2006 – Elbit Systems Ltd. (NASDAQ: ESLT) reported today that EFW, an Elbit Systems of America company, has been chosen to supply the Helmet Display and Tracking System (HDTS) for the US Army's new Armed Reconnaissance Helicopter designed and manufactured by Bell Helicopter. The HDTS will be based on EFW's ANVIS/HUD (Aviator's Night Vision Imaging System / Head Up Display) with a Tracking System for pilot targeting, cueing and crew coordination. The program has potential value of $51 million through 2012.

The HDTS provides a significant increase in situational awareness and safety by allowing the pilot to fly "head out of the cockpit" during both day and night operations by projecting critical flight information into the day display and night vision goggles' view. The system will also provide Line of Sight (LOS) cueing between pilots or display the LOS of an electro-optic payload (EOP).

The base ANVIS/HUD system has been in operational use by U.S. Army, U.S. Navy and Marine, and U.S. Air Force rotary wing pilots since the mid 1990's. The system is installed on most of the utility and special operations helicopter fleet platforms, including the H-60, CH-53 CH-47, CH-46, H-1, V-22 and others. The addition of the tracking and LOS functions to this proven product provides the US military aviator a helmet-mounted system that delivers state of the art situational awareness and aircrew interaction.

Commenting on the award, Raanan Horowitz, executive vice president and general manager of EFW said, "EFW is pleased and honored to be part of the ARH team. This Helmet Mounted System will provide responsive and accurate situational awareness for the ARH aircrew, allowing them to execute their mission safely and effectively."

EFW also supplies the Integrated Helmet and Display Sighting System (IHADSS) used to provide US Army Apache attack helicopter pilots with helmet mounted night vision, flight data, and weapons targeting information.

Additionally, EFW, through its VSI joint venture, provides subsystems for the Joint Helmet Mounted Cueing System (JHMCS) used in fixed wing fighter aircraft in the US and other allied countries.

About EFW Inc.

EFW Inc., of Fort Worth, TX, specializes in the design, development, production and life-cycle support of complex military hardware and software solutions for upgrade and integration projects. As a fully accredited US Department of Defense supplier, the company also provides systems support for fixed and rotary wing aircraft, ground vehicles, naval vessels, trainers, simulators, and weapons sensors for military services and leading defense contractors.

About Elbit Systems

Elbit Systems Ltd. is an international defense electronics company engaged in a wide range of defense-related programs throughout the world. The Elbit Systems Group, which includes the company and its subsidiaries, operates in the areas of aerospace, land and naval systems, command, control, communications, computers, intelligence, surveillance and reconnaissance ("C4ISR"), advanced electro-optic and space technologies, EW suites, airborne warning systems, ELINT systems, data links and military communications systems and equipment. The Group also focuses on the upgrading of existing military platforms and developing new technologies for defense and homeland security applications.

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